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1. Immediately after the February 1948 putsch, 80 percent of all building firms were nationalized (the rest were nationalized later), so that the National Building Industry had a monopoly in respect to all building projects and construction. No one may carry out any designing or construction without the permission of the national building industry. Designing is controlled by a sub-section known as "Stavoprojekt".
2. The general direction of the "CsSZ" is in Prague I, Parizska tr. 17, the chief being Dr. Ing. Architect Janu, a Communist.
3. The district directorates are directly subordinate to the general direction, and there is a district national committee (KNV) in each town. The district directorates have considerable powers, for they not only decide what is to be designed and built, but also assign the building materials. Every local building concern is controlled by the KNV and may operate only within its own district. There is also in each district a designing office of the Stavoprojekt.
4. Only a few special building firms may operate anywhere in Czechoslovakia. This applies principally to the building of railways, roads, dams, cable-railways, etc.
5. Under the Five-Year Plan each district has allotted its own building priorities. Dwelling houses have been practically ruled out, and only industrial buildings, with preference given to the key industries, have been included in the so-called "operative plans". These operative plans were worked out in the economic commission of the Communist party of each district and passed over to the district directorate of the national building concerns for execution.
6. The Communists know that many technical members of the building concerns are politically unreliable, and such persons are therefore directly supervised and controlled by the Czech Communist Party (KSC). The control organs of the KSC do not include persons of technical background, hence many conflicts arise between them and the technicians.
7. Building materials also come under the control of the CsSZ.
  - a. Cement factories are producing night and day and, as stocks are plentiful.

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## CENTRAL INTELLIGENCE AGENCY

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some are being exported. The same applies to lime.

b. The worst shortages are:

- 1) Building iron, especially bar iron for concrete supports, traverses, locks, etc. (This bottleneck is responsible for the fact that the building industry is the least successful of all state-run concerns).
- 2) Non-ferrous metals, especially copper, brass and zinc. Zinc sheet plate, which is practically unobtainable, has to be replaced by galvanized sheet iron.
- 3) Sawn timber

c. There are enough bricks and oven moulds (Formerzeugnisse) for the most essential needs, but capacity in this sector has been very much reduced by the closing down of the smaller brickworks.

d. The output of the building workers is smaller compared, for instance, with that of Austrian workers. The CsSZ employs about 200,000 workers, not including those engaged in the production of building materials.

8. Financially the CsSZ is on a sound footing, since it can in case of need obtain credit at any bank (also nationalized) in any part of the State.

9. At first, after the nationalization of the building industry, the former owners of the building firms were invited to cooperate in setting up the CsSZ. Now they are, however, already politically unreliable and for the greater part have been eliminated, sent to the mines, imprisoned, or pensioned off. Many have escaped over the frontier.

10. The "PREFA" works, (concrete building erection) represents a special sector within the CsSZ.

a. The nucleus of this concern is the former specialized building firm Ing. Jelinek, Prague I, Husova ul.4, which employed over 3000 workers and personnel before the nationalization. After the February putsch other building enterprises which were engaged in this branch of building (Firma Harabe a Lozovsky, Fa. Cervenka, etc.) were amalgamated with this nucleus, and from these firms emerged a concern known as "CsSZ-Pa 901", and later (early in 1949) as "PREFA".

b. Factories producing concrete building component parts and concrete structures have also been combined with the PREFA. The largest are:

Hyskov near Beroun - - - - - 250 workers

Trnava near Usti on the Elbe 100 workers

Vanov near Usti on the Elbe

Vanov near Usti on the Elbe 100 workers

Rychnov on the Knez - - - - - 150 workers

Slany - - - - - 100 workers

c. These works are producing slag concrete casts which are stamped in machine compressors; I-shaped ferro-concrete supports for a span (Tragweite) of up to 12 meters or up to 30 meters when joined; and recently also castings of arch supports (Schalenbogengerüste) with a span of up to 40 meters. These assembly component parts are especially suitable for prefabricated (Montage) buildings, which can be put together very quickly (in a third of the ordinary building time).

d. The manager of the "PREFA" is Ing. Urbanec, a lukewarm Communist; his deputy and the real head of the concern as regards constructional work is Ing. Jira, a non-Communist.

e. The "PREFA" employs 5,000 to 10,000 people.

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